Business Responsibility Report for the FY 2018-19

[Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company : L24234KA1978PLC003417
2. Name of the Company: BIOCON LIMITED
3. Registered address: 20th KM Hosur Road, Electronic City, Bengaluru – 560100
4. Website : www.biocon.com
5. E-mail id : Co.secretary@biocon.com
6. Financial Year reported: 01.04.2018 to 31.03.2019
7. Sector(s) that the Company is engaged in (industrial activity code-wise):

Industrial Group	Description
021	Manufacture of pharmaceuticals, medicinal chemical and botanical products

As per the National Industrial Classification – Ministry of Statistics and Program Implementation

8. List three key products/services that the Company manufactures/provides (as in balance sheet)
   - i) Small Molecules – API and Generic Formulations
   - ii) Biologics – Insulins, Biosimilar MABs and Proteins
   - iii) Branded Formulations
9. Total number of locations where business activity is undertaken by the Company
   - (a) Number of international locations: 5 (United States of America, Switzerland, United Kingdom, Malaysia and United Arab Emirates)
   - (b) Number of national locations: 3 Manufacturing Locations (Bengaluru – 2 plants, Hyderabad and Vishakhapatnam) + Marketing Offices in India
10. Markets served by the Company – Local/State/National/International

In addition to serving Indian markets, the Company has global footprints and serves market of 120 countries

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up capital (₹) : 3,000 Million
2. Total turnover (₹) : 30,022 million
3. Total profit after taxes (₹): 4,927 million (including exceptional item)
4. Total spending on corporate social responsibility (CSR) as percentage of profit after tax (%): 2%
5. List of activities where expenditure in 4 above has been incurred: Refer Annexure 9 - Corporate Social Responsibility of the Board's Report.

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**

   Yes. The Company has 15 subsidiaries located in India and other countries as on March 31, 2019

2. **Do the Subsidiary Company/Companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

   Yes. The Company's subsidiary, Biocon Academy (a Not for Profit company) participates in the BR initiatives of the Company.

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company?**

   If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

As per corporate risk governance process, suppliers and distributors work closely with supply chain on several risk mitigation programs including business continuity plans, geographic risk mitigation, reducing environmental burden by using recycled solvents and training user teams within Biocon to manage product functioning and related hazards (products where specific product handling and usage procedures set by suppliers are required to be followed).

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies

i. Name: Dr. Arun S. Chandavarkar

ii. Designation: CEO and Joint Managing Director

iii. DIN Number: 01596180

(b) Details of the BR head:

Sl. No.	Particulars	Details
1	DIN Number (if applicable)	01596180
2	Name	Dr. Arun S. Chandavarkar
3	Designation	CEO and Joint Managing Director
4	Telephone number	080 – 2808 2808
5	Email – ID	arun.chandavarkar@biocon.com

2. Principle-wise (as per NVGs) BR policy/policies

P1: Businesses should conduct and govern themselves with ethics, transparency and accountability.

P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3: Businesses should promote the wellbeing of all employees.

P4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5: Businesses should respect and promote human rights.

P6: Businesses should respect, protect, and make efforts to restore the environment.

P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8: Businesses should support inclusive growth and equitable development.

P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

Sl. No.	Questions	P1 Ethics & Transparency	P2 Product Responsibility	P3 Wellbeing of Employees	P4 Responsiveness to Stakeholders	P5 Respect Human Rights	P6 Environmental Responsibility	P7 Public Policy Advocacy@	P8 Support Inclusive Growth	P9 Engagement with Customers
1	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	N	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	N	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	N	Y	Y	N	Y	Y
4	Has the policy been approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	N	Y	Y
5	Does the Company have a specified committee of the Board/ Directors/ Officials to oversee the implementation of the policy?	Y	Y	Y	N	Y	Y	N	Y	Y

Sl. No.	Questions	P1 Ethics & Transparency	P2 Product Responsibility	P3 Wellbeing of Employees	P4 Responsiveness to Stakeholders	P5 Respect Human Rights	P6 Environmental Responsibility	P7 Public Policy Advocacy@	P8 Support Inclusive Growth	P9 Engagement with Customers
6	Indicate the link for the policy to be viewed online?	Refer to the table below	Y	Refer to the table below	Y*	Refer to the table below	http://www.biocon.com/biocon_aboutus_ehspolicy.asp	N	http://www.biocon.com/biocon_csr_about_policy.asp	http://www.biocon.com/biocon_invrelation_cor_code.asp?subLink=gover
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	N	Y	Y
8	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	N	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	N	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	N	Y	Y	N	N	Y

*Note 1: The Company does not have a formal all Stakeholder Responsiveness Policy. However, specific stakeholder engagement policies exist for example Biocon Communications Policy and Social Media Policy for internal and external stakeholders, which also outline the SOP for issue management and crisis communications. It has been the Company's practice to upload all policies on BioSpace, the intranet site for information and implementation by internal stakeholders.

@Note 2: Public Policy Advocacy is yet to be formulated. However, the Company plays a strong role in public policy advocacy through regular engagement with specific external stakeholders, including industry associations, government bodies and regulatory departments.

The Company has formulated certain internal guidelines which are aligned to the values underlying the herein stated Principles. Those guidelines vis-à-vis the principles are mentioned below:

Principle 1: Businesses should conduct and govern themselves with ethics, transparency and accountability	Principle 3: Businesses should promote the wellbeing of all employees	Principle 5: Businesses should respect and promote human rights
Code of Conduct	Code of Conduct	Code of Conduct
Standing Orders	Employment Policy	
	Standing Orders	

It has been the Company's practice to upload all policies on the intranet site for information and implementation by internal stakeholders. However, Code of Conduct and Integrity Policy which are applicable to both internal and external stakeholders are available on the Company's website www.biocon.com.

3. Governance related to BR

i) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year.

Corporate Social Responsibility Committee of the Board meets at an interval of six months to assess the BR performance of the Company.

ii) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?

BR report is published annually as part of the Company's Annual Report, in compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The hyperlink for viewing the report is -http://www.biocon.com/biocon_invrelation_annualreports.asp?subLink=finance

SECTION E: PRINCIPLE – WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with ethics, transparency and accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

   No. It extends to Group/Joint Ventures/Contractors etc.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

No. of complaints pending resolution as at April 01, 2018	1
Total complaints received	10
Closed cases	9
In progress	2

The Company has a hotline for whistle blowing and any other concerns to be voiced. Any complaints received are addressed accordingly by authorized officials.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their lifecycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities

i) Small Molecules – API and Generic Formulations

ii) Biologics – Insulins, Biosimilar MABs and Proteins

iii) Branded Formulations

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

(a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

Sustainable thinking is the core aspect of our corporate responsibility. It has helped us move beyond statutory compliances to create responsible business practices that guarantee safe work environment, healthy workforce and sustainable environment across the value chain. Our Company prefers to enter into long term commitments with those suppliers who fulfil their responsibility towards the society as well as the environment. Initiatives are taken to improve awareness about legal compliances, to enhance eco-friendly efficiencies and packaging/logistics improvements at the suppliers' end. Supplier and transporter meets are held on a periodical basis, where the Company engages and encourages them to undertake sustainable practices across the supply chain. The Company drives its distribution plan using an ERP (Enterprise Resource Planning) system to optimize freight costs. Our approach is to add value in such a manner that not only are our products affordable and accessible, but our practices are also sustainable and equitable.

A special project has been executed with-in the sourcing team, to reduce the transactional load in the process. Consolidation of Purchase Orders & Requisitions/Long Term Contracts has resulted in a reduction in the transactional load in SAP-ERP system as well.

Along with spreading wellness through our products, we also work for the welfare of the neighbourhood economy by sourcing local material and labour wherever possible. Local sourcing is also an environmentally sustainable option as it reduces significantly the logistics requirement and thus the carbon footprint.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Our sustainability strategy is built around the philosophy of doing more with less. Our holistic approach encompasses conservation of natural resources, reduction of our carbon footprint, switching to renewable energy, improving energy efficiency, minimizing waste generation, sustainable sourcing and contributing to biodiversity.

As a resource-respecting organization, we make every effort to be environment-friendly and we take steps to be in compliance with the best practices. Biocon has adopted principles of natural resource conservation, reuse, reduce, recycle, waste minimization and renewable energy. All manufacturing units are certified for OHSAS 18001:2007 and ISO 14001:2015 standards. Accordingly, Biocon has made large investments in a zero liquid discharge system across all manufacturing units. This system recycles the recovered water for onward use within our utilities. A rain water harvesting system is in place covering building roof tops and harvested rain water is used for gardening purpose and utilities.

The waste generated in the Company's operations is either recycled or disposed of in a responsible way in line with legal requirements. Hundred percent of the wastewater is recycled and reused in the process or utilities. Water consumption forms an important part of our agenda. At all our manufacturing units across India, efforts are continuously underway to reduce our fresh water consumption. We have also launched several initiatives for energy conservation and clean energy usage. By shifting to piped natural gas for steam generation we have replaced conventional fossil fuels thus adopting a clean, environment friendly and highly efficient form of energy. Around 40% of power requirement of Biocon's Bengaluru units is met with Wind Power. Renewable energy such as wind power does not pollute the environment and has no impact on global warming & greenhouse emissions. Our energy conservation efforts are centred on optimizing energy consumption, reducing waste and utilizing clean energy in our business operations. Adoption of innovative measures such as energy efficient centrifugal air compressors, water chillers and motors have enabled us to achieve this objective. Variable refrigerant volume systems, LED lighting and condensate recovery measures have significantly enhanced energy savings.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

Yes. The Company has a protocol on operating procedure to approve vendors. Materials are procured from approved vendors both, local and international. The quality assurance team of the Company conducts periodic audit of the vendors, especially those who supply key materials on various parameters towards evaluating business sustainability. Our integrated SCM function, which encompasses multiple products, verticals and manufacturing locations, revolves around meticulous planning, smart sourcing and disciplined monitoring. Some of the initiatives in place for sustainable sourcing are as below-

a. **Sourcing & Vendor Consolidation**

i. We believe that for strategic suppliers, in the interest of business, it is best to have minimum touch-points at multiple levels. This helps in driving a common corporate message without it having to go through multiple channels. Towards this, sourcing strategies have been consolidated for all plants at our Bengaluru Headquarters. We strive to achieve a balance between the benefits of centralization and de-centralization.

ii. Consolidating vendors also helps us in keeping transactions to a minimum, thereby minimizing operational loads. Consolidating requirements helps in better planning and effective negotiations.

b. **Green Supply Chain**

i. Biocon has made tremendous strides in moving from animal-origin to recombinant supply base for some of our key product portfolios which include Insulins. We believe this has contributed significantly to our environment friendly initiatives apart from being a social cause.

ii. Biocon's sourcing team focuses on use of 'green solvents' that are non-petrochemical based, such as ethanol, for majority of our business units, thereby reducing the dependency on non-renewable forms of energy.

iii. Deployment of professional and regulatory compliant logistics providers helps in consolidating solvents deliveries which further helps in achieving reduction in fuel cost per unit of solvent consumed at Biocon.

c. **Periodic Vendor Evaluation**

i. All suppliers (small, medium and large) are periodically evaluated on the basis of the supply performance. Matrices used to evaluate include OTIF (On-Time, In-Full Deliveries) & number of quality complaints

ii. We conduct monthly reviews for each supply chain function to address issues with suppliers

iii. We have also entrusted vendor evaluation to 3rd party international agencies such as Dun & Bradstreet

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Yes. Biocon has always strived to work and develop most of the small and medium enterprises around its area of operation. The Company procures a considerable part of its goods and avails services from local and small vendors, particularly those located around its manufacturing locations. 15-20% of our total supplier base comprises of small and medium enterprises. There is also a strong corporate directive towards developing sourcing capabilities locally. This enables us to achieve multiple benefits such as

i) Shorter turn-around times for delivery

ii) Promoting vendor-managed inventory, closer to our facilities

iii) Quicker resolution of issues pertaining to material quality

iv) Contributing to the local economy, thereby enhancing sustainability of our operations

Besides, we also help in long term capacity planning for such vendors by sharing forecasts for upto 12 months.

5. **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so**

Yes. A mechanism for recycling products as well as waste is in place in the Company. Since the Company is a zero liquid discharge facility, 100% of wastewater is recycled and reused back in the utilities. STP treated water is used for gardening in Company premises thereby reducing usage of fresh water. Used solvents is distilled and recovered and it is reused internally to reduce usage of fresh solvent. Efforts are made to further strengthen the recovery processes in a) Biologics b) Small Molecules and c) cross functional projects to drive further reduction in utilities and solvents through novel technology platforms. These processes help in making significant progress towards long term reduction in consumption of fresh solvents. Our food waste is treated onsite through composting which is used in the greenbelt area.

Principle 3: Businesses should promote the wellbeing of all employees

1. The Company is committed to promote diversity in work place and provide equal opportunity for all employees regardless of race, colour, religion, age, gender, sexual orientation, national origin, disability and other factors. Employees have the right to work in an environment free from any form of discrimination, which might be considered harassing, coercive or disruptive, particularly behaviour that tantamount to sexual harassment. The Company asserts a zero tolerance policy towards any sexual harassment. The intent is to provide a work environment free from all forms of harassment, provide equal opportunity to all, respect privacy and recognize the right to be heard.

Biocon ensures a safe, healthy and clean working environment for all its employees. They are provided with transport and canteen facilities at subsidised prices. Employee engagement activities are conducted regularly to maintain a healthy work environment. Comprehensive health check-

up is mandatory for all employees annually.

We ensure timely and fair payment of wages in accordance to all applicable laws and standards. Well-being of all employees is a priority to the Company and all necessary steps are taken to ensure the same.

2.	i)	Please indicate the total number of employees	6,301
	ii).	Please indicate the total number of employees hired on temporary/contractual/casual basis	1,656
	iii).	Please indicate the number of permanent women employees	881
	iv).	Please indicate the number of permanent employees with disabilities	7

3. Do you have an employee association that is recognized by management?

No

4. What percentage of your permanent employees are members of this recognized employee association?

NA

5. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Child Labour	Nil
Forced Labour	Nil
Involuntary Labour	Nil
Sexual Harassment(SH)	4
SH Pending Closure	Nil
Discriminatory Employment	Nil

6. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

	Skill Upgradation	Safety
Permanent Employees	74%	68%
Permanent Women Employees	80%	73%
Casual/Temporary/Contractual Employees	-	100%
Employees with Disabilities	57%	71%

Principle 4: Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. Has the Company mapped its internal and external stakeholders?

The mapping and management of stakeholders is one of the core principles of our business strategy.

Stakeholders from the CSR perspective-

The CSR Board approves CSR strategies, budgets, project plans, manages internal governance and plays an oversight role with regard to compliance with the Company's policy. The CSR Committee identifies intervention areas based on the needs of the community, reviews policy, recommends budget, monitors implementation of programs and reports the results to the Board on a quarterly basis. The Biocon Foundation has developed and nurtured strong relationships with the local community and other stakeholders. We have nurtured long-term strategic partnership with- suppliers to maintain supply chain effectiveness, tertiary health providers to get technical support and with the Government to fulfil mutual obligations in a PPP mode. Communicating CSR achievements to shareholders, customers, employees, communities, public officials and other partners is at the heart of our strategy. It's a continuous process at Biocon which is followed in Board meetings, town-hall presentations, Annual General Meetings, CSR forums and also through various internal & external reporting and presentations. The value delivered to the stakeholders is also conveyed with the help of online social networks and print media.

The other stakeholders include:

i) Government and regulatory authorities

ii) Employees

iii) Customers

iv) Local community

v) Investors and shareholders

vi) Suppliers

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   At Biocon, we employ scientific methods of determining and addressing the needs of the community. Our various social interventions serve a population of more than 10 lakhs living predominantly in rural areas, peri-urban areas and slums. In compliance with the CSR Act 2014, preference is also given to the areas around the Company's units. Our approach places special emphasis on the socio-economic development of the most disadvantaged sections of the society which includes women, children and senior citizens.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

   Our primary healthcare initiatives have been designed to bring quality and affordable healthcare to the underserved population in order to reduce morbidity & mortality and significantly reduce out of pocket expenditure (OPE) by minimizing trips to secondary and tertiary health centres. Monthly camps are being organized in support of the Pradhan Mantri Surakshit Matritva Abhiyan (PMSMA) to provide antenatal care to pregnant women in rural areas. Breast Cancer and Cervical Cancer screenings are other women oriented programs. The Geriatric camps serve healthcare needs of the elderly population. Our education program and mid-day meal initiatives cater to the educational and nutritional needs of children studying in Government schools. We have implemented interventions to manage acute malnutrition in children of Anganwadi centres. Our rural development initiatives address the rural urban divide in infrastructure. In addition, we promote gender equality and women empowerment by supporting vocational skills and safe environment for them.

Principle 5: Businesses should respect and promote human rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/Others?**

   No. It extends to Group/Joint Ventures/ Contractors etc.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   There were no complaints during the year.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs/others.**

   Yes. Biocon is committed to adopting the best global practices in Environment, Health and Safety (EHS). Our comprehensive governance systems are bolstered by best-in-class infrastructure, specialized EHS systems, competent teams and comprehensive programs. Biocon follows a well defined Environment, Health & Safety Policy to motivate employees so as to minimize environmental impact and to prevent injuries and ill health at workplace. It covers all our internal and external stakeholders and extends to the Group, Joint Ventures, suppliers, contractors and other stakeholders such as the NGOs that work with us. The Policy is communicated to all our stakeholders to ensure that they are in compliance.

   Adherence to the EHS Policy is emphasized to all stakeholders by the top management, as well as through appropriate communication within the Company.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   Yes. Commitment pertaining to global warming, climate change and biodiversity is clearly stressed in the Company's EHS Policy. Relevant projects and initiatives are in place. Information on the policy is available on the following link:

   Hyperlink for the webpage: http://www.biocon.com/biocon_aboutus_ehspolicy.asp

3. **Does the Company identify and assess potential environmental risks? Y/N**

   Yes. A Risk Based Approach i.e. 'Aspect Impact Identification' methodology is in place to assess and identify environmental risks for all activities, processes and new projects and any modifications thereof.

   Link to ISO 14001 & OHSAS 18001 certifications : http://www.biocon.com/biocon_aboutus_ehspolicy.asp

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is being filed?**

   As on date, the Company does not have any project registered with Clean Development Mechanism (CDM), but we have various clean technology projects and we strive to identify the CDM potential in all of our projects. Some of the projects in line with CDM methodologies in our organization are

   i) Reduction of carbon footprint by shifting to piped natural gas to fuel boilers, instead of using conventional fossil fuels thereby reducing our GHG emissions

   ii) Usage of biogas generated by our effluent treatment unit anaerobic digesters as a co-fuel in boilers

   iii) Usage of solar energy for water heating and lighting purposes

   iv) 39% of our power requirements is sourced from wind energy

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   Yes. Some energy efficiency, clean technology and renewable energy projects implemented at our sites are

   i) Installation of energy efficient centrifugal air compressors

   ii) Installation of LED lighting replacing fluorescent lamps

   iii) Power trading through Indian Energy Exchange

   iv) Installation of energy efficient air blower motors

   v) Reduction in CO2 emissions by using PNG (piped natural gas) for steam generation

   vi) 39% of our power requirements is sourced from wind energy

   vii) Installation of solar powered lighting.

   viii) Installation of waste steam recovery system

   ix) Installation of two stage scrubber system at multiple effect evaporator system to ensure better air quality in and around the facility

   Intranet link: http://www.biocon.com/biocon_aboutus_ehspolicy.asp

6. **Are the emissions/waste generated by the Company within the permissible limits set by CPCB/SPCB for the financial year being reported?**

   Yes. Air emissions and waste generated by Biocon Limited are well within the permissible limits prescribed by the environmental regulators and reported for the last financial year.

7. **Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   No show cause/legal notices were received from CPCB/SPCB. And therefore no such notices are pending as at the end of financial year 18-19.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   CII, ABLE, IDMA, KDPMA, Federation of Karnataka Chambers of Commerce & Industry, FICCI

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   As a pioneering biotechnology Company, Biocon engages with various stakeholders including various Government departments to facilitate progressive and pragmatic policies that can address the daunting healthcare challenges of the country. Biocon's CMDMs. Kiran Mazumdar Shaw, is a Biotech pioneer, well regarded globally, she is passionate about enabling affordable healthcare and therefore contributes selflessly towards creating an enabling ecosystem that promotes science, encourages start-ups and enables access to affordable universal healthcare. Ms. Mazumdar-Shaw also engages with the Government at Centre and State to enable creation of an optimal biotech ecosystem in the country.

Principle 8: Businesses should support inclusive growth and equitable development

1. **Does the Company have specified programs/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   The Company is committed to serve underprivileged communities through sustainable development projects; pivoted on innovation, grass roots implementation, grant support and knowledge sharing, in the realms of-

   i) Primary Healthcare

   ii) Education

   iii) Gender Equality & Women Empowerment

   iv) Environmental Sustainability

   v) Technology Incubation

   vi) Rural Development and

   vii) Traditional Art and Culture

   To maximize impact at the national and state levels, all our programs are being delivered in partnership with Government agencies on strong footing of public private partnerships.

   i) Primary Healthcare: The paradigm of 'eLAJ Smart Clinic' model developed by the Biocon Foundation is an integration of preventive and outpatient primary healthcare services to address the health dilemmas, bridge the rural-urban healthcare divide and reduce patient movement to overburdened secondary and tertiary centres. Health services include promotion, maintenance and restoration of health. The productive model of healthcare delivery has been adopted in 3 private clinics of Biocon Foundation and 15 Government Primary Health Centres in Karnataka. The intervention is serving a population of more than 8 lakhs, living predominantly in rural areas, peri-urban areas and slums.

The primary healthcare approach, early detection and case management, is effective in reducing morbidity and mortality from infectious and non-communicable diseases. It involves a data driven approach with the help of an in-house electronic patient record system which enables our clinics to digitally record every patient interaction. The indispensable electronic data is also amalgamated with the health delivery model to address the basic preventive and primary health concerns in the areas of Communicable Diseases, Maternal and Child Health (MCH), Diet-related Non Communicable Diseases (NCDs) and prevention of cancers (cervical cancer, breast cancer and oral cancer) through special health camps. This crucial model of outpatient primary care is also complemented by health promotion, prevention, and comprehensive health environment monitoring and risk assessment in the communities with the application of mobile health (mHealth).

Programs	Solution Orientation	Target Beneficiaries
Outpatient primary care	Early detection and case management in clinical setting	Any patient who has a medical reason to consult a doctor
Promotion of ICT based solutions (mHealth & EMR) for healthcare delivery	Integrated electronic medical record system, multiple parameter vital sign monitoring and use of wireless mobile technologies	Clinicians, health administrators, public health planners and patients from all age groups, sex and socio-economic strata
Real-time monitoring of health facilities	Organization of data on a real time basis by live dashboard for clinicians and administrators, patient follow-up notification, facility utilization tracking, clinical compliance, disease surveillance and so on	Clinicians, health administrators, public health planners and patients from all age groups, sex and socio-economic strata
Early detection and prevention of cervical cancer	Screening through papanicolaou smears	All women married for at least 3 years from the age group 21- 59; priority to women above 30 years of age
Early detection and prevention of breast cancer	Screening through Intelligent Breast Examination (iBE), a novel US FDA cleared medical instrument for pre-screening of breast lesions	All women in the age group 21-69 years; priority to women above 30 years of age
Management of Child Under-nutrition	Monthly health check-ups for children to screen for malnutrition. Nutrition counselling for caregivers of malnourished children	Children under-5 years of age
Nutrition support to children of primary schools	Partly funded the kitchen of The Akshaya Patra Foundation to provide mid-day meals	Children of Government Schools
Nutrition support to cancer patients	Nutrition support to patients undergoing chemotherapy at Tata Memorial Hospital	Identified needy patients undergoing chemotherapy at Tata Memorial Hospital
Early detection and prevention of oral cancer	An mHealth approach to screening and treating precancerous oral lesions	18 years and older who consume tobacco in any form and/or alcohol
Oral Health	Provision of dental chair and dentist	Any patient who has a reason to consult a dentist
Early detection and management of diet-related NCDs (Diabetes & Hypertension)	-Assessment of CVD & diabetes physiological risk factors -Monthly health check-up by specialist -Psychosocial counselling by the health educator	Patients with diabetes, hypertension and associated medical complications including at-risk population
Adolescent girl health education	Awareness and education on reproductive & sexual health and nutrition	Adolescent girls in all Government High Schools of Karnataka
Mental health education and counselling	Integration of mental health with primary healthcare, eradication of stigmas, counselling, primary treatment and referral	Patients with any psychiatric symptoms and associated disabilities
Preventive health education	Promotional activities related to non-clinical life choices covering most aspects of health and its social determinants delivered by Community Health Workers	Individuals from all age groups, sex and socio-economic strata
Community safe drinking water	Community RO water plants installation and commissioning	Individuals from all age groups, gender and socio-economic strata
School safe drinking water		Students of 15 Government Schools
Swachh Vidyalaya	Construction of toilets in schools	Children of Government Primary Schools and Government Schools & Junior College

ii) **Education:** The Company persistently works on promoting education amongst Government School children by providing content, infrastructure, computer systems and health education.

Aata Paata Wadi- An afterschool enrichment program on english and phonics, life skills, art & craft, digital literacy and games for children of classes 1 to 7 at the Ashrama Residential School in Thithimati being run by the State Social Welfare Department.

iii) **Promoting gender equality and empowering women:** The Company promotes gender equality and empowerment of women by providing electronic monitoring systems to local police stations, thereby increasing safety in the area.

(iv) **Environmental sustainability:** The Company promotes conservation of natural resources, improves the ecosystem as to maintain quality of soil, air and water.

(a) Hebbagodi Lake Rejuvenation: Hebbagodi Lake which is spread over 35 acres was severely polluted due to 5 sewage inlets from surrounding developments and 2 storm water inlets. Due to the Company's relentless efforts, the lake water has been treated by bio-remediation, artificial floating wetlands and aeration processes. A children's park and an RO Drinking Water plant have been set up at the periphery.

(b) Yarandahalli Lake Rejuvenation: The Detailed Project Report for this initiative has been approved and we will soon commence rejuvenation work.

(c) Kammasandra Lake Rejuvenation : We have conducted the preliminary survey for the rejuvenation of this Lake.

(v) **Heritage Art and Culture:** The Company values promotion and restoration of national heritage, art and culture. (a) India Foundation for the Arts is being supported under our Grant-in-Aid initiative to encourage research and education in arts & culture. (b) Restoration of the garden area at Cubbon Park, Bengaluru.

(vi) **Technology Incubation:** The Company is keenly aware of the power of technology to transform the development indicators and therefore we provide grants to technology incubators approved by the Central Government. The Institute of Bioinformatics and Applied Biotechnology (IBAB) has been supported through Grant-in-Aid initiative so as to promote education, research and entrepreneurship in Biological Sciences.

(vii) **Rural Development Initiatives:**

(a) School construction, Kyalasanahalli, Jigani TMC

(b) Installation of RO Drinking Water plants

2. Are the programs/projects undertaken through in-house team/own foundation/external NGO/Government structures/any other organization?

The CSR initiatives are primarily implemented in-house in close collaboration with local Governments and grants are provided to trusts/NGOs doing impactful work for the marginalized sections of the society.

3. Have you done any impact assessment of your initiative?

Refer Annexure 9 of the Board's Report on Corporate Social Responsibility.

- More than 63,714 registrations have been captured across 18 eLAJ Smart Clinics. These clinics have recorded over 164,215 patient visits
- About 2,713 beneficiaries treated for diet-related NCDs
- More than 581 children screened for malnutrition and treated for communicable diseases
- More than 584 women screened for cervical and breast cancer
- More than 2,119 individuals screened for oral cancer. About 28,030 beneficiaries reached through our outreach programs for oral health and among them 6,804 were treated.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

Refer Annexure 9 of the Board's Report on Corporate Social Responsibility.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so?

Through employee engagement and the CSR team, the community is involved from the time the need assessment is carried out. Based on the outcomes of the assessment, programs are planned and implemented with community acceptance at every stage. Community awareness is included as part of all the programs. With the feedback of the community and other stakeholders, the program is reviewed and modified for larger impact.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as at the end of financial year.

Given below is a summary of the complaints received:

No. of complaints pending resolution as at April 01, 2018:	3
No. of complaints received during FY 2019:	7
No. of complaints resolved:	7
No. of complaints pending resolution:	3

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information).**

   No. Since the Company's products are bio-pharmaceuticals, only product information that is approved by the regulatory authorities is displayed on the product label.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   NIL.

4. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**

   No.

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